

**BEFORE THE COMMISSIONER OF COMMERCE AND INSURANCE FOR THE
STATE OF TENNESSEE**

TENNESSEE SECURITIES DIVISION.)
 Petitioner,)

v.)

Docket No.: 12.06.-014220J

OHIO KENTUCKY OIL CORPORATION,)
OHIO KENTUCKY LIMITED)
PARTNERSHIP 2000-1,)
WILLIAM M. GRIFFITH,)
CAROL L. CAMPBELL,)
TAUREQ AL-ABASS, and)
CHRISTINE H. VICK,)
 Respondents.)

AGREED ORDER

The Tennessee Securities Division ("Division"), Petitioner, and Ohio Kentucky Oil and Gas Corporation, William M. Griffith, and Carol L. Campbell (hereinafter collectively referred to as the "Respondents") agree to the entry of this Agreed Order in accordance with the Tenn. Code Ann. § 48-2-116 of the Tennessee Securities Act of 1980, as amended, Tenn. Code Ann. §§ 48-2-101, *et seq.*, which states that the Commissioner of Commerce and Insurance ("Commissioner") from time to time may make such orders as are necessary to carry out the provisions of the Act.

GENERAL STIPULATIONS

It is expressly understood by all parties that this Agreed Order is subject to the Commissioner's acceptance and has no force and effect until such acceptance is evidenced by the entry of the Commissioner.

2. This Agreed Order is executed by the Respondents for the purpose of avoiding further administrative action with respect to this cause. Furthermore, should this Agreed Order not be accepted by the Commissioner, it is agreed that presentation to and consideration of this Agreed Order by the Commissioner shall not unfairly or illegally prejudice the Commissioner from further participation or resolution of these proceedings.

3 Respondent fully understands that this Agreed Order will in no way preclude additional proceedings by the Commissioner against the Respondents for acts or omissions not specifically addressed in this Agreed Order for facts and/or omissions that do not arise from the facts or transactions herein addressed, nor does it preclude additional proceedings by the Commissioner against the Respondents based upon these facts or transactions herein addressed by some other Division of the Commissioner.

4. Respondents expressly waive all further procedural steps, and expressly waive all rights to seek judicial review of or to otherwise challenge or contest the validity of the Agreed Order, the stipulations and imposition of discipline contained herein, and the consideration and entry of said Agreed Order by the Commissioner.

5 The Tennessee Securities Act of 1980, as amended, Tenn. Code Ann. §§ 48-2-101, *et seq.* ("Act"), places the responsibility for the administration of the Act on the Commissioner. The Division is the lawful agent through which the Commissioner discharges this responsibility. Tenn. Code Ann. § 48-2- 5

FINDINGS OF FACT

6. Ohio Kentucky Oil Corporation ("OKO") is a business entity with its principal places of business located at 110 E. Lowry Lane, Lexington, Kentucky 40503. OKO is not registered with the Division pursuant to the Act.

7. Ohio Kentucky Limited Partnership 2000-1 ("OKLP-1") is related to OKO.

8. William M. Griffith ("Griffith") is the vice-president of OKO. Griffith's business address is 110 E. Lowry Lane, Lexington, Kentucky 40503. Griffith has never been registered with the Division pursuant to the Act.

9. Carol L. Campbell ("Campbell") is purported to be the president of OKO. Campbell's business address is 110 E. Lowry Lane, Lexington, Kentucky 40503. Campbell has never been registered with the Division pursuant to the Act.

10. Taureq Al-Abass ("Al-Abass") is affiliated with OKO in some capacity. Al-Abass' business address was, at all times pertinent to the events described herein, 110 E. Lowry Lane, Lexington, Kentucky 40503. Al-Abass has never been registered with the Division pursuant to the Act.

Christine H. Vick ("Vick") is affiliated with OKO in some capacity. Vick's business address is 110 E. Lowry Lane, Lexington, Kentucky 40503. Vick has never been registered with the Division pursuant to the Act.

12. Sam D. Chavetz ("Chavetz") is a resident and citizen of the state of Tennessee. Chavetz's business address is at 50 N. Front Street, Suite 1300, Memphis, Tennessee 38103.

13. In December 1999, Chavetz received an unsolicited package in the mail from OKO regarding an investment in a turnkey drilling operation in Tennessee. Shortly after the package

arrived, OKO personnel, Al-Abass, Griffith and Vick, began to telephone Chavetz regarding the investment opportunity.

14. The Respondents solicited Chavetz to purchase the investment described in ¶ 13 above without first having been registered with the Division as an issuer-dealer or agent of an issuer dealer.

CONCLUSIONS OF LAW

15. Pursuant to Tennessee Code Annotated § 48-2-115(a), the responsibility for the administration of the Act is upon the Commissioner. The Division is the lawful agent through which the Commissioner discharges this responsibility.

16. Pursuant to Tennessee Code Annotated § 48-2-116, the Commissioner may make, promulgate, amend, and rescind such orders as are necessary to carry out the provisions of this Act and that such order is in the public interest, necessary for the protection of investors and consistent with the purposes fairly intended by the policy and provision of the Act.

7. Tennessee Code Ann.. § 48-2-110(f)(1) states, in pertinent part, that any person who is included in the definition of “issuer” by virtue of § 48-2-102(8)(C) shall register as an issuer-dealer. Tenn. Code Ann. § 48-2-102(8)(C) defines an issuer as every person who issues any security, except that with respect to a fractional undivided interest in oil, gas, or other mineral rights, “issuer” means the owner of such right or of an interest in such right (whether whole or fractional) who creates fractional interests therein for the purpose of sale.

18. Based upon the findings of fact cited above and the conclusions of law contained herein, the Commissioner considers the actions of the Respondents to be in violation of Tenn. Code Ann. § 48-2-110(f) and to provide grounds for an order necessary to carry out the provisions of the Act.

19. Respondents admit the general stipulations, findings of fact and conclusions of law contained herein and hereby also acknowledge the Commissioner's authority to administer said statute and concede that the Commissioner's interpretation of the statute is reasonable and enforceable. Therefore, Respondents, in order to avoid any further expenses or costs associated with litigating this matter, hereby desire to enter into this Agreed Order.

20. Respondents and the Division hereby agree that this Agreed Order shall not preclude any future registration with the Division by the Respondents as an issuer-dealer or agent thereof, pursuant to the Act, or of any instrument which, under the Act, may be defined as a 'security,' provided that the Respondents comply with all applicable provisions of the Act and the rules promulgated thereunder.

ORDER

NOW, THEREFORE, on the basis of the foregoing, and the waiver by Respondents of their rights to a hearing and appeal under the Act and Tennessee's Uniform Administrative Procedures Act, Tennessee Code Ann. §§ 4-5-101 *et seq.*, and the admission by the Respondents of the jurisdiction of the Commissioner, the Commissioner finds that the Respondents have agreed to the entry of this Order and that this Order is appropriate, in the public interest and necessary for the protection of investors.

IT IS ORDERED, pursuant to Tennessee Code Ann. § 48-2-116 of the Act that

The Respondents and/or any person on behalf of the Respondents shall not offer or sell undivided fractional interests in oil, gas or other mineral interests in this State until such time as the Respondents are appropriately registered with the Division to offer or sell same, as provided at Tenn. Code Ann. § 48-2-110(f) *et seq.*

2. The Respondents shall make payment of a civil penalty to the Division in the amount of one thousand five hundred dollars (\$1,500.00), payable in the form of a cashier's check drawn upon a federally-insured bank or savings and loan institution, and shall make said payment within ten (10) days of the entry of this Agreed Order by the Commissioner

3. The Respondents agree that should they or any person on behalf of the Respondents offer or sell undivided fractional interests in oil, gas or other mineral interests in this State without complying with all registration requirements set forth by the Act that such offer(s) or sale(s) shall be considered a violation of this Agreed Order

IT IS FURTHER ORDERED that this Agreed Order represents the complete and final resolution of and discharge of all administrative and civil, claims, demands, actions and causes of action by the Division against the Respondents for the alleged violations of the Act which relate specifically to all actions and/or omissions by Respondents which are so described in this Agreed Order. This Agreed Order shall not be construed to apply to any other facts or circumstances other than to the actions and/or omissions of the Respondents as set forth herein.

This Agreed Order is in the public interest and in the best interests of the parties, and represents a compromise and settlement of the controversy between the parties and is for settlement purposes only. By the signatures affixed below, the Respondents affirmatively state that they have

freely agreed to the entry of this Agreed Order, that they have been advised that they may consult legal counsel in this matter, and have had the opportunity to consult with legal counsel should they have desired to do so, that they waive their right to a hearing on the matters underlying this Agreed Order and to a review of the Findings of Fact and Conclusions of Law contained herein, and that no threats or promises of any kind have been made by the Commissioner, the Division, or any agent or representative thereof. The parties, by signing this Agreed Order, affirmatively state their agreement to be bound by the terms of this Agreed Order and aver that no promises or offers relating to the circumstances described herein, other than the terms of settlement set forth in this Agreed Order, are binding upon them.

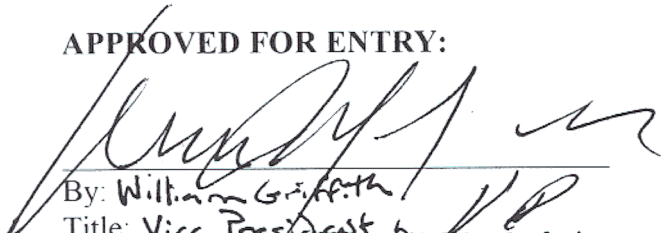
SO ORDERED.

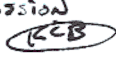
Entered this the 7th day of March, 2002.

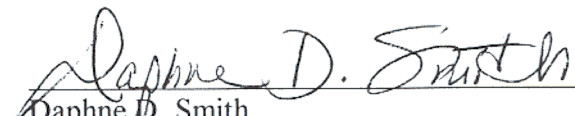


Anne B. Pope, Commissioner
Department of Commerce and Insurance

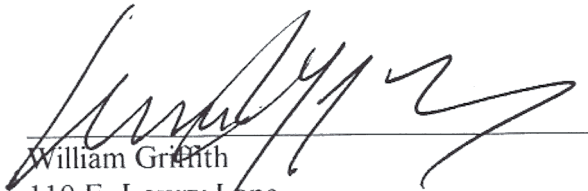
APPROVED FOR ENTRY:



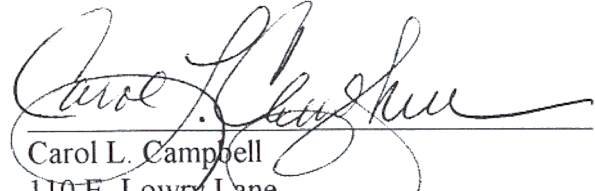
By: William Griffith
Title: Vice President by permission
Ohio Kentucky Oil and Gas Corp. 
110 E. Lowry Lane
Lexington, Kentucky 40503



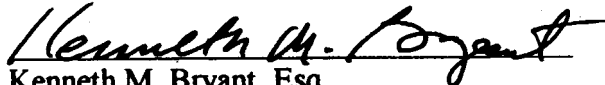
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